MANAGEMENT CONTROL PROGRAM

11 March 2004

MANAGEMENT CONTROL PROGRAM

STATUTES AND REGULATIONS

- **Federal Managers' Financial Integrity Act of 1982**, (Assigned Management with the primary responsibility for review improvement of internal controls.)

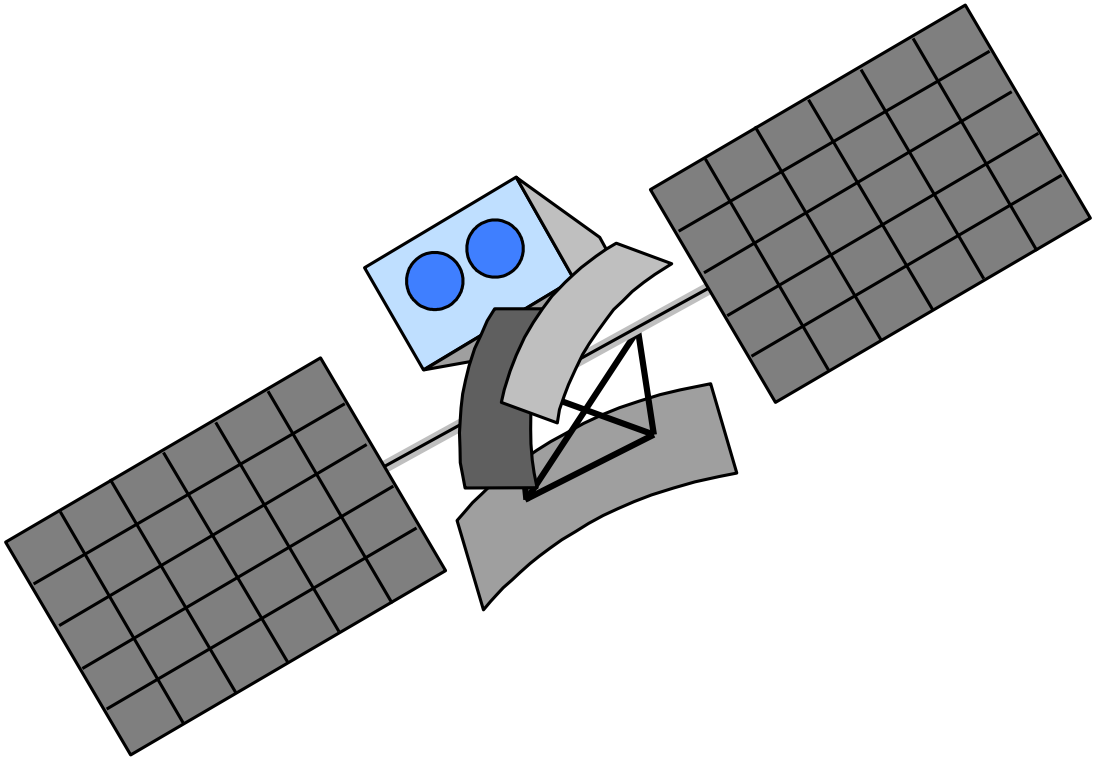
- **OMB Circular A-123**, (Assigned Management with the Responsibility for the Internal Control Program.)

- **SECNAVINST 5200.35D** (Implements FMFIA in the

- **MCO 5200.24C**, (Implements the Federal Managers' Financial Integrity Act in the Marine Corps.)

- **CMC White Letter No. 03-96**

MANAGEMENT CONTROL PROGRAM



EARLY WARNING SYSTE

BENEFITS OF INTERNAL CONTROL

* Provides Assurances to Chain of Command/Congress
  -- Resources Protected
  -- Mission Accomplishment
  -- Compliance with Laws & Regulation

* Employment Behavior
  -- Keeps Employees Honest
  -- Keeps Employees Informed

* Acts as a System of Checks and Balanc

* Feedback to Management

MANAGEMENT CONTROL PROGRAM

REASONABLE ASSURANCE

SAFETY NET

SYSTEM OF CHECKS & BALANCES

INTERNAL CONTROL OBJECTIVES

SAFEGUARD ASSETS

EMPLOYEE BEHAVIOR

COMPLIANCE WITH LAWS

MISSION ACCOMPLISHME

ACCURATE FINANCIAL INFORMATION

MANAGEMENT CONTROL PROGRAM

LESSONS LEARNED OVER TIME

1. Implement an overall Internal Managemen
   Control Program.

2. Assign responsibility & accountability by:
   * Appointing a Control Program Coordinat
   * Using Performance Appraisals/Fitness Re
     ensure accountability.

3. Segment organization into assessable unit
   maintain a list of command assessable uni

MANAGEMENT CONTROL PROGRAM

LESSONS LEARNED OVER TIME

4. Ensure risk assessments are performed.

5. Ensure performance of Internal Control
Evaluations and use of existing forms of
evaluations.
(External Audits/Inspections/QA Reviews, etc.)

MANAGEMENT CONTROL PROGRAM

LESSON LEARNED OVER TIME

7. Ensure correction of control weaknesses.

8. Keep documentation of the process.

9. Over use of forms and reports tends to

MANAGEMENT CONTROL PROGRAM

MANAGEMENT CONTROL RESPONSIB

1. Command Responsibility
   (Senior Level Management)

2. Subordinate Management Responsibility

3. Employee Responsibility

4. Auditor/MCP Coordinator Role

MANAGEMENT CONTROL PROGRAM

MANAGEMENT CONTROL PROGARM REQ

--PUBLIC LAW REQUIRE US TO PARTICIPATE.

--EVERYBODY HAS TO PLAY.

--CONSISTENT WITH TRADITIONAL MANAGEMENT PHILOSOPHIES.

--COMMANDS MUST IMPLEME
REPORT RESULTS.

--HIGH-LEVEL INTEREST.